

Association of independent Professionals and Self Employed (IPSE)

<https://www.ipse.co.uk/ipse-news/news-listing/coronavirus-ipse-activity-and-advice-freelancers.html>

The government outlined its initial response to the challenges posed by COVID-19 in its Budget on March 11. Since then, the Chancellor has provided further [statements](#) (26.03.20) on how the government intends to support businesses and self employed / freelance workers.

Key measures announced to help freelancers included:

- A [Self-Employment Income Support Scheme](#) is a taxable grant worth 80% of your trading profits up to a maximum of £2,500 per month for the next 3 months – it is available for sole traders and members of partnership but there is additional eligibility criteria to look out depending on your trading history
- The Minimum Income Floor in Universal Credit will be suspended 'for everyone affected by the economic impacts of coronavirus'. This means that self employed people can now access Universal Credit at a rate equivalent to Statutory Sick Pay for employees (approximately £94.25 per week).
- 'New style' Employment and Support Allowance will be payable for people directly affected by COVID-19 or self-isolating according to government advice for from the first day of sickness, rather than the eighth day.
- People will be able to claim UC and access advance payments where they are directly affected by COVID-19 (or self-isolating), without the current requirement to attend a jobcentre.
- The next self-assessment payments will be deferred until January 2021.
- Introducing 'Time to Pay' arrangements - a time-limited deferral period on HMRC liabilities owed and a pre-agreed time period to pay these back – for businesses and self-employed individuals in financial distress and with outstanding tax
- HMRC has set up a [dedicated COVID-19 helpline](#) to help those in need, and they may be able to agree a bespoke Time to Pay arrangement. HMRC will also waive late payment penalties and interest where a business experiences administrative difficulties contacting HMRC or paying taxes due to COVID-19.
- A new, temporary Coronavirus Business Interruption Loan Scheme, delivered by the British Business Bank, to support businesses to access bank lending (loans of up to £1.2 million) and overdrafts. The government will provide lenders with a guarantee of 80% on each loan.
- The proposed rollout of IR35 to the private sector in April has been [postponed](#) for one year as a result of COVID-19.

IPSE welcome these measures but we remain deeply concerned the self-employed will be left behind if further action is not taken. While making the welfare system easier and quicker to access is a positive step, alongside improved access to credit and tax deferrals, we remained concerned that freelancers and the self-employed are exposed if they are ill and if the economy deteriorates. IPSE, along with several other bodies, are calling on the government to introduce a [Temporary Income](#)

[Protection Fund for the self-employed](#) to support you through the crisis. We will update this page to keep members notified of any further policy changes if they happen.